

Rain Tonight or Saturday; Warmer Tonight.

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THE MAGAZINE POSTAGE PROBLEM

Shall the Rate Be Increased?—If So, Is the Present Bill Before Congress Good Enough? Is It a Fair and Businesslike Measure?—The Hostility of the Contending Camps, the Publishers and the Government—A Discussion of the Issue.

By FRANK A. MUNSEY.

I do not like the present bill before Congress for increasing postage on periodical matter. I do not like it because I do not think it is right and square.

I am not opposed to it, however, on the ground of an advance in rate. I am perfectly willing that there should be an advance in the rate of postage on any or all of my publications, magazines, or newspapers, if it be the wish of the people that such an advance be made.

It is a fact that we cannot get, and get for very long, something for nothing. No more can we get magazines or other periodicals at the present low price if the cost of shipment is to be advanced. The advance, within the last ten years, in the betterment of magazines, in rents, in labor, and in everything that goes into the magazines, and has to do with them, has been so great that the present subscription rates will not permit of a further additional cost.

I am opposed to the present bill in Congress on several counts. It is not worked out with regard to fairness for all publishers. It proposes no advance in rate for newspapers, and among periodicals it exempts all such as mail less than 4,000 pounds of each issue.

The word "newspaper" is a very elastic one. Does it mean, as the framers of this bill and the Postoffice Department understand it, a daily paper, or a weekly paper, or a monthly, or a quarterly?

A daily paper is presumably a newspaper. There may be a few exceptions, but when we leave the daily field and come to the weekly, or semi-weekly, or to consider them newspapers or not? There are many weekly and semi-weekly papers which carry news and are known as newspapers, and many which do not carry news.

If frequency of issue is not an essential quality of the "newspaper," may it not be possible for a monthly or a quarterly to be a newspaper? What percentage of news must a weekly paper or a monthly publication carry to be classified as a newspaper, and how can the Government justify itself in charging a certain percentage of news that for a similar publication with no news? Would not the cost to the Government for the service be the same, assuming the haul to be the same?

If adding a percentage of news in my magazines will give me the right, as in the case of the "newspaper," to continue at the present 1-cent rate, it is obvious that this is the thing I should do, as it could easily be done.

And what is news? This, too, is a pretty elastic term. There is news of happenings, and there is creative news—news dug out of facts, deductions, analyses—all of which are just as much news as the report of a prizefight or a conflagration.

The contention of the Government that it should differentiate in favor of daily newspapers, whose chief circulation is within a narrow radius, has some force. In the very nature of the case, the short haul costs the Government less than the long haul. But what of that portion of daily issues that has a long haul? Shouldn't it pay a higher rate of postage than the short haul, if the length of haul is to be a determining factor in this matter?

Moreover, how about the Sunday paper, which is a feature paper, with its magazine sections, its comic sections, and a little of everything, including paper dolls, paper houses, paper menageries, and one kind of gimcrack and another? The percentage of strict news in a big, mammoth Sunday paper is so inconsequential that it is not worth considering.

The Sunday paper can hardly be classed as strictly a newspaper, unless a small percentage of news constitutes a newspaper. And if this be the case, then a small percentage of news in the weekly and monthly periodicals would make them newspapers.

Again, the Sunday newspaper averages to have, I should say, a much longer haul than the daily issue. I recall that a few years ago the management of the New York World, speaking of the expansive circulation of their Sunday paper, told me that it had in the State of Washington alone a weekly sale of over eight hundred copies. If this sale still continues, and is an example of what other Sunday newspapers mean in the way of long haul, it is obvious that the Government would be discriminating most unfairly and unjustly against the magazine, or, to reverse it, showing favors to the daily paper owner that it denies to the periodical owner.

Another reason why I am opposed to the present bill is that I see no good reason and no fairness in discriminating in favor of the periodical that mails

less than 4,000 pounds of each issue. Why this discrimination? I can see no justice in it or good business in it.

I can, however, see how it might well be interpreted, as in very fact it is, to the disadvantage of the Administration, leading to the suspicion that the department wishes to dodge the responsibility of the opposition that would follow from putting the postage up on these smaller publications, which, by reason of their multiplicity, aggregate an important political influence.

But, personally, I do not hold to this view, though I am quite at a loss to understand how the Government can justify itself in this stand. Why give an advantage to weak publications which in the very nature of the case must, because of their weakness, publish less meritorious matter for their readers?

The weak publications cannot afford to spend the money that the big, prosperous publications can afford to spend, and do spend. Wouldn't the effect of a law of this kind be to minimize enterprise to put an embargo on enterprise, tending to destroy the usefulness of the more important publications by crowding them to the wall through the process of differentiation in favor of the cheaper product?

The Government urges that the periodical business is a very profitable one. This statement is both true and untrue—much more untrue than true. It is a fact that the publications of very big circulation, if well managed, earn very large money. But these large money-earners are the exceptions, and not the rule.

The periodical business of America as a whole—and I mean now publications other than those that would naturally be classed as newspapers—would show a very poor return on the capital invested. The annual losses from premature deaths in periodical publishing, as well as from the cases of lingering illness—publications that have hovered around the borderland of prosperity and finally collapsed—these, together with the pittance of an income earned by those that a little more than break even, would reduce the profits of the successful houses that on an average the capital invested would show very little return, if indeed there would not be an actual deficit—an actual loss.

But all of this is of no concern to the Government, and is not germane to the issue whether the Government should get a higher price for transportation of periodicals or not. It is merely an answer to the statement of the Government, which was not germane to the issue, and which did not accurately represent the periodical business.

The Government could very easily have reached this conclusion by fol-

The Other Side of the Case.

The Government's contention that the losses to the Postoffice Department on second class mail matter should be reduced may well have serious consideration on the part of publishers.

Personally, I do not want any special privilege or special taxation in my interest. If I cannot square my business up to a fair, just rate of postage, then it were better that I drop out and make way for some one who can. That some one, and that some number of men, can meet whatever conditions are imposed by the Government, is a certainty. The genius of American publishers will continue to supply the reading public with reading matter, and in ample quantities.

I am not at all hysterical on this point. Indeed, I have no concern about it whatever. The higher rate of postage would mean a readjustment of business methods, would mean a readjustment of prices, but it would not mean the obliteration of the publishing industry. At higher prices it might slightly lessen the sum total, but not, in my judgment, to an extent that would materially injure the printing business.

Under the present law, as applied by the Postoffice Department, publishers are not compelled to circulate their periodicals by mail exclusively. The result is that on short hauls, wherever freights or express charges are less, the publisher avails himself of this method of transportation, except for single subscriptions.

This means that the Government gets the long hauls, while the short hauls are covered by freight and express. It is obvious that such a system works greatly to the disadvantage of the Government, and actually imposes a serious burden upon the Postoffice Department—an unfair burden.

Whether the Government should demand that the publishers to whom it gives the second class privilege should handle all their business, short hauls as

well as long, is a problem that might well be considered. I am, and have been for a dozen years, quite willing as one publisher to take this question of second class postage up with the Government, and try to work out mutually a system that ought to be fair to both publisher and Government.

I should like to see a committee of publishers formed to meet the Government in this spirit, and I should like to see the Government appoint a committee to meet the publishers in the same spirit, each committee entering the discussion with the purpose to be fair to the other, and to see the other side of the proposition as well as its own.

In the present juncture, the publishers and the Government are like two contending armies, neither showing any disposition to yield to the other, neither showing any spirit of conciliation. The highly colored pictures of disaster painted by the publishers are well offset by the Government's errors in statements and deductions.

I am speaking rather as a citizen than as a publisher—as one occupying a neutral ground; and this, as a matter of fact, is the ground I have occupied for ten or a dozen years. My attitude in this matter is and has been well known, both to publishers and to the Government. About three years ago, when a determined effort was made to get through Congress a law horizontally increasing the rates on second class mail matter, I then urged upon publishers the wisdom of meeting the Government halfway, and not standing with a solid front against any change whatsoever in the postal laws.

The bill then before Congress was a good deal saner, to my mind, was a good deal fairer, and would have given more satisfaction to publishers, than the bill now before Congress. It was free from the obnoxious scheme of differentiation that characterizes the present bill.

When Mr. Cortelyou was Postmaster General, he asked me if I could give him a suggestion as to how best to deal with the publications that were simply advertising sheets—publications, I think he meant, that had little or no real purpose save that of purveying advertising for a consideration. I answered that if the Government were to insist upon a net subscription price that would cover the cost of paper, press-work, binding, and circulation, the difficulty he had in mind would be met and overcome.

In the intervening years I have seen no reason to change my mind on this point. I believe a ruling of this kind would work out admirably and would minimize a lot of circulation that works to the disadvantage of better grade publications and overloads the mail with advertising matter. Moreover, I believe it a sound business policy that these charges—white paper, press-work, binding, and circulation—should be met by the net amount of money received in the way of annual subscriptions, or through the news trade.

In my own business, though, I have sold my magazines at a very low price. I have always maintained that they must be independent, wholly independent, of advertising matter. Munsey's Magazine and my other magazines are, and always have been, independent of advertising. Without a line of advertising, they would have made more money for me than I should have had any right to spend.

Net advertising revenue, after all, is a good deal of a delusion. There is not the profit in advertising that many publishers are wont to fancy, and that the general public fancies. I am speaking now of magazines which call for an extraordinary page of white paper for every page of advertising.

People suppose, when they see a large number of advertising pages in a magazine, that the reading pages have been given up to advertising. But this is not the fact. Magazines are made up of papers, of setting up in the composing room, of electrotyping and of printing it, including the white paper, of binding, shipping, postage, bookkeeping, collections, and the greater management cost and larger rent because of this advertising—the net profit is ground down to a very small margin.

When the cost of getting this advertising is considered—the cost of traveling men, commissions to advertising agencies, the cost of handling it in the office of setting it up in the composing room, of electrotyping and of printing it, including the white paper, of binding, shipping, postage, bookkeeping, collections, and the greater management cost and larger rent because of this advertising—the net profit is ground down to a very small margin.

The rock on which so many publications have gone to pieces is that of inadequate subscription receipts, a willingness on the part of the publisher to accept subscriptions at any price, depending on advertising revenues to make good his losses. More publishers have gone to the wall on this theory than for any other cause. So I say that some such rule as I recommended to Mr. Cortelyou would help publishers, and would perhaps help in clarifying the situation that it would not be necessary to increase the rate of postage at all.

This ruling, if it were put in force, together with some other reforms—such as absolutely excluding sample or free copies from the mails, and limiting the advertising pages to perhaps 40 per cent of the total number of pages—might well make it possible to continue the 1-cent-a-pound rate for all periodicals alike, daily, weekly, and monthly—a rate that has been the standard for years, and has become so well established that it is a part of the very foundation of our publishing structure.

While there may be cases where subscriptions and advertising contracts are accepted for a longer period than one year, they are so few that my judgment would be that they should not be considered. But a notice of twelve months, the usual subscription and advertising contract period, should be given to the publishers, in which time they could readjust their subscription rates and their advertising rates and their business methods to meet the new conditions.

Putting this new rate of postage in force on July 1 would work great hardship to publishers, depreciating to a tremendous percentage the profits of the established periodicals and bankrupting the weaker ones. No fair-minded business house, doing business on broad, human, and sound principles, would consider for a minute putting in force such a decision without giving ample notice to its customers to square themselves to the new prices, and to carry-out contracts made under conditions that had been standing for many years.

I am opposed to the present bill because I think it a clumsy way to increase the revenue by charging one price for one part of a publication and another price for another part. So far as concerns my own periodical business, this scheme of the Government would work more to my advantage than if a uniform price were charged, because some of my minor publications carry relatively little advertising in proportion to the reading matter, but I am not so much concerned with my own immediate interests as I am with having the new law, if such there is to be, a clean-cut, businesslike one—a law that will be eminently fair to all, and that will be the freest possible from all cumbersome and objectionable rulings and technicalities.

It is because of this fact that my publications, as I have said, have paid me accept advertising revenues. And what is true of my business is probably true, or should be true, of all wisely conducted publishing houses.

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While I am willing to see a higher rate of postage for periodicals fairly and squarely applied all along the line—and I speak as both a periodical publisher and a daily newspaper publisher—yet I should like better to see the present rate maintained, if possible, and I believe it is possible to maintain it with wise and proper regulation.

To put it concretely, if this bill becomes a law, I must charge a higher price for my magazines, and other publishers, I fancy, will be compelled to do the same thing. The question then is, Would the public rather pay a higher price for its periodicals, or would it rather meet by indirect taxation whatever deficit might result from continuing the existing law with such modifications as might work to its advantage?

I want to add one word more, and that is that I am not in sympathy with the theory that the Administration is urging this increase in postage on magazines on the ground that magazines have not been complimentary to the Administration, or that they have been too friendly toward the insurgents, or have given themselves up too much to muck-raking. To my mind, this is the vilest nonsense I have ever heard of.

It is manifestly unfair to the Administration. President Taft and Postmaster General Hitchcock are so far above and beyond this kind of thing that even the most prejudiced mind should not associate them with it.

SENATE WOULD PAY FULL CHARGES FOR LOW POWER LIGHTS

Also Restores Reduction In Rates Made By the House.

General Harries' Persuasive Powers Win the Wearers of the Toga.

General Harries' Persuasive Powers Win the Wearers of the Toga.

If the United States Senate has its way about it, the District of Columbia will pay dollar for dollar on those Potomac Electric Power Company bills for arc lights, which the Commissioners are holding up because for nearly ten years the company has been supplying lamps of only 700-candlepower when the law and the company's contracts have called for lamps of 1,000-candlepower.

Furthermore, if the Senate has its way, a number of the reductions for other forms of electric lighting, provided in the House bill, will be raised, not to the existing rate, but above the rate laid down by the House.

Shown In Bill.

This information is revealed by examination of the printed copy of the District appropriation bill as it passed the Senate, and of the hearings on that bill before the District subcommittee of the Senate Appropriations Committee. These documents have just been made public.

As the appropriation bill passed the House it contained this provision for settlement of the disputed bills of the Potomac Electric Power Company:

"The Commissioners of the District of Columbia are empowered to effect a settlement for arc lighting under the existing contract with the Potomac Electric Power Company from the date of said contract to the date of approval of this act, and report the same to Congress."

At another point in the bill, the rate for the 700-candlepower arc lamps was fixed at \$2.50. It is \$5 under the law for the current fiscal year, and in the present contract with the electric company, the reduction was made because it was recognized that \$5 had been too much for that character of lamp in the past. It was, in fact, a direct result of the discovery that the company was not obeying the law and living up to its agreement.

Changes Made in Senate.

The Senate bill changes both these items. It contains the following provision for settlement of the bills now in dispute:

"The Commissioners of the District of Columbia may, in their discretion, accept service heretofore rendered under any contract for arc lighting as being equivalent to that required by such contract, or by the acts of Congress under which such contract was made."

Rate Good for Four Years.

For at least four years in the future the company will continue to get \$5 for its 700-candlepower arc lamps if the Senate bill passes. The measure contains a stipulation that the company shall adopt a new type of arc lamp, but it allows four years for the change to be made. The Senate also has increased the rate provided by the House for the new lamp. The House fixed the rate at \$2.50. The Senate has increased it to \$5.

The report of the hearings before the subcommittee shows that Engineer Commissioner Johnson argued against these increases, and against others, on incandescent lamps, and that Gen. George H. Harries, vice president of the Potomac Electric Power Company, argued for the increases. The bill as reported and as passed by the Senate shows that General Harries' persuasive powers were greater than those of Major Johnson.

Increases Made on Incandescent Lamp

(Continued on Twelfth Page.)

WEATHER REPORT.

FORECAST FOR THE DISTRICT.
Unsettled weather, probably rain to night or Saturday; warmer tonight; temperature above freezing.

TEMPERATURES.	
8 a. m.	38
12 noon	42
9 a. m.	39
1 p. m.	44
10 a. m.	39
2 p. m.	45
11 a. m.	40

TIDE TABLE.
Today—High tide, 11:15 a. m. and 11:35 p. m.; low tide, 5:17 a. m. and 5:47 p. m.
Tomorrow—High tide, 11:57 a. m.; low tide, 5 a. m. and 5:34 p. m.

SUN TABLE.
Sun rises.....6:30 | Sun sets.....6:30

TRAFFIC BLOCKADER STIRS UP TROUBLE IN POLICE COURT

Man Who Sat on Car Tracks Taken By Force From Room.

KICKS AND BITES OFFICERS IN CHARGE

Sent to Asylum for An Investigation As to His Sanity.

Kicking, biting, and scratching so that it required the combined efforts of four policemen to subdue him, Alexander C. Black, the employee of the Treasury Department who held up traffic on the Capital Traction street car line last Tuesday morning while he seated himself on the tracks, this morning strenuously objected to being removed from the District branch of the Police Court in order that he might be committed for investigation into his sanity.

Black, who was at liberty on \$20 collateral on a disorderly conduct charge, created a small disturbance in the corridor of the Court House even before he was called to trial.

Strikes Policeman In Head.

Several of the habits of the court, having recognized him, commenced to taunt him with sitting on the car tracks, and Black, resenting this, struck out at his tormentors, striking Policeman Dudley in the face. The fact that his case was called immediately afterward prevented any recurrence of the disturbance.

While listening to the testimony of the motorman and conductor of the car which he delayed by seating himself in front of it and refusing to arise, Black wrapped his arms and legs around the back and rungs of the chair and refused to move.

Just at the end of the motorman's testimony he called out in a loud voice: "I am a righteous man and I demand justice!"

"You'll get it," muttered Judge Pugh, grimly, and he ordered that Black be sent to the Washington asylum for investigation into his sanity.

Pried Loose From Chair.

That was enough for the champion of personal rights. His face grew taut, and when one of the bailiffs tapped him on the shoulder and motioned to him to return to a cell, he refused to budge from the chair. Finally, after a struggle, two of the policemen pried him loose from the chair in which he was seated, only to have him seize another with an even firmer hold.

Despite the fact that four attaches of the court tried to loosen his hold on the second chair, they were unable to accomplish their purpose, and were finally forced to carry the chair, along with the prisoner, into the rear of the building, where he was at last disentangled and forced into a cell, but not, however, before he had kicked, scratched, and bitten three of his captors.

Another struggle ensued when he was removed to the police van, but he was rather tired by that time, and three members of the force were sufficient to subdue him and carry him to the psychopathic ward of the Washington Asylum.

New Navy Doctors Are Now Being Westonized

If you encounter about thirty uniformed young men trudging bravely about the Speedway and saying, under their breaths, "Round and round the speedway goes the ragged rascal ran," don't stop them. And don't call the police.

They make up the squad of the newly commissioned doctors at the Naval Hospital, who are taking their twenty-five-mile "hike" around the navy yard twice a day. The surgeon general is watching the young men and keeping tab on them. This walking thing is his own pet scheme for keeping young men who are in the department in good physical condition. He had it introduced in lieu of the old scheme, which required men to walk fifty miles or ride ninety miles each year. Instead of that drastic annual experiment the surgeon general has all his officers take the twenty-five-mile walk quarterly.

"The new system is working out fine for keeping men in continuous exercise," said Surgeon General C. F. Stokes today. "Instead of a spurt of daily training just before the test each year, they are now kept in easy training all the year round."

Moreover, they are now required to take their quarterly test the middle month of each quarter. This prevents a man from taking two days off at the end of a quarter and then making up the balance in the next quarter, thus cutting down his exercise to a fifty-mile walk semi-annually.

Scott Bill Shorn Of Useful Power

After a hearing on the Scott bill, intended to prevent dealing in cotton futures, the Senate Committee on Interstate Commerce today ordered a report on the measure without recommendation, but struck out sections 6, 7, and 8. The effect is to draw the teeth of the bill and make it so weak that it will in all probability not accomplish what it was intended to accomplish. It is doubtful whether it will pass.

GRAHAM DECLARES BALLINGER CAUGHT RED-HANDED IN ACT,

Illinois Member Makes Bitter Attack on Secretary In the House.

DECLARED UNTRUE TO HIS PUBLIC TRUST

Evidence Sufficient, Asserts Lawmaker, to Remove the Cabinet Officer.

Declaring that Secretary Ballinger had been caught "red-handed in exploiting the very property he held in trust," Representative Graham of Illinois, a member of the special Ballinger-Pinchot investigating committee, made a spirited attack on the official conduct of the Secretary of the Interior in a speech on the House floor last night.

Mr. Graham is one of the members of the special committee who signed a minority report when the majority of the members of that committee decided adversely on the information presented to it by Gifford Pinchot and L. W. Givins.

Declared Unfaithful.

"An unfaithful public servant" has been Mr. Ballinger, according to the Illinois Representative in his bitter arraignment of the Secretary in connection with the Cunningham claim.

"It is not a most humiliating situation," Graham said, "that a Cabinet officer, one of the President's official family, the trustee of public property of untold value, should be caught red-handed in the work of secretly aiding selfish and powerful interests in the work of exploiting the very property held in trust? And then to think that in this matter, I am influenced only by a desire for the public good, by a desire to see this great Government of ours administered for the benefit of the whole American people, poor as well as rich, rather than for the benefit of great interests, already too powerful."

Convicted By Evidence.

"If I have exhibited any feeling in discussing this matter it is only because the evidence convinces me that Ballinger has listened to the siren song of those who are seeking to obtain property rights and public advantages to which neither the moral law nor the law of the land entitles them, and that he has adopted a course of policy in the administration of his great office, which, if followed generally, would reverse the wheels of political progress, would give the lie to the Declaration of Independence, and eventually place the American people in the position of drones producing wealth for the enjoyment of a favored few."

Acts Against Newell.

While referring to Secretary Ballinger's general administration of the Interior Department, Mr. Graham said: "One of Mr. Ballinger's first official acts after he became Secretary of the Interior was to call on Mr. Dargatzis, chief engineer of the Reclamation Service, and try to alienate him from Director Newell, his immediate superior. The evidence shows persistent and deliberate attempt on his part to undermine the confidence of the public in the head of the service, and this is the great detriment of the service. The heads of it were frequently ignored altogether, and orders issued directly to subordinates, of which orders their superiors had no knowledge until it came to the incidentally or accidentally later on."

"The effect of this conduct was very demoralizing to the Reclamation Service, and it can be explained only as an attempt to force Mr. Newell to resign."

"The evidence shows it had been Mr. Ballinger's intention from the beginning to displace Newell and replace him by one R. H. Thompson, a personal friend of the Secretary."

Cunningham Claim.

After analyzing the circumstances connected with the filing of the Cunningham claim, and the efforts of the syndicate to obtain valuable coal lands in Alaska, Mr. Graham continued:

"The group of thirty-three claims, containing 5,300 acres with about eighty (Continued on Second Page.)

IN CONGRESS TODAY

The House met at 10 o'clock, and took up the conference report of the Indian appropriation bill, which was debated for several hours before a vote of 10 to 1, reported adversely on the Bennett resolution to annex Canada.

White House Callers.

SENATORS.
Borah, Idaho. McCumber, N. D.
Stephenson, Wis. Root, N. Y.

REPRESENTATIVES.
Tawney, Minn. Dickson, Ind.
McCall, Mass. Calkins, N. Y.
McKinley, Ill. Foster, Vt.